

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*¹

Debtors.

Chapter 11

Case No. 22-11068 (JTD)

(Jointly Administered)

Obj. Deadline: February 27, 2023 at 4:00 p.m. ET

**FIRST MONTHLY FEE STATEMENT OF
QUINN EMANUEL URQUHART & SULLIVAN, LLP AS SPECIAL
COUNSEL TO THE DEBTORS AND DEBTORS-IN-POSSESSION
FOR COMPENSATION FOR PROFESSIONAL SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD
FROM THE PETITION DATE THROUGH AND INCLUDING DECEMBER 31, 2022**

Name of Applicant	Quinn Emanuel Urquhart & Sullivan, LLP
Authorized to Provide Professional Services to:	the Debtors and Debtors-in-Possession
Date of Retention:	January 20, 2023 <i>nunc pro tunc</i> to November 13, 2022
Period for which compensation and reimbursement is sought:	Petition Date through December 31, 2022
Amount of Compensation sought as actual, reasonable and necessary:	\$1,536,294.15
80% of Compensation sought as actual, reasonable and necessary:	\$1,229,035.32
Amount of Expense Reimbursement sought as actual, reasonable, and necessary:	\$4,323.07

This is a(n) monthly X interim _____ final application. No prior application has been filed with respect to this Fee Period.

¹ The last four digits of FTX Trading Ltd.'s and Alameda Research LLC's tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

SUMMARY OF BILLING BY PROFESSIONAL
THE PETITION DATE THROUGH AND INCLUDING DECEMBER 31, 2022

Timekeeper Name	Position	Year of Admission	Year of Law School Graduation	Hourly Rate	Total Hours Billed	Total Compensation
K. John Shaffer	Partner	1989	1989	\$1,917.00	157.20	\$301,352.40
William A. Burck	Partner	2001	1998	\$1,917.00	51.60	\$98,917.20
Sam Williamson	Partner	2001	2000	\$1,917.00	49.20	\$94,316.40
Sascha Rand	Partner	1998	1997	\$1,593.00	211.20	\$336,441.60
Katherine Lemire	Partner	1998	1997	\$1,593.00	43.60	\$69,454.80
Isaac Nesser	Partner	2003	2003	\$1,440.00	41.70	\$60,048.00
Eric D. Winston	Partner	1998	1998	\$1,440.00	62.80	\$90,432.00
Anthony Alden	Partner	2004	1999	\$1,440.00	20.60	\$29,664.00
Matthew R. Scheck	Partner	2007	2007	\$1,318.50	68.80	\$90,712.80
Partner Total					706.70	\$1,171,339.20
Andrew Kutscher	Counsel	2010	2009	\$1,215.00	10.50	\$12,757.50
Special Counsel Total					10.50	\$12,757.50
Razmig Izakelian	Associate	2013	2013	\$1,183.50	3.10	\$3,668.85
Emily Kapur	Associate	2015	2015	\$1,174.50	2.60	\$3,053.70
Jaclyn Palmerson	Associate	2016	2016	\$1,143.00	8.20	\$9,372.60
Meredith Mandell	Associate	2017	2016	\$1,143.00	4.00	\$4,572.00
Samuel Seneczko	Associate	2019	2019	\$985.50	247.40	\$243,812.70
Natalie Huh	Associate	2021	2020	\$904.50	18.20	\$16,461.90
Olivia Yeffet	Associate	2020	2020	\$904.50	52.90	\$47,848.05
John Super	Associate	2021	2020	\$904.50	0.60	\$542.70
Tanmayi Sharma	Associate	2022	2021	\$841.50	29.10	\$24,487.65
Liam Murphy	Law Clerk	-	2022	\$508.50	5.30	\$2,695.05
Seth Rosenberg	Law Clerk	-	2022	\$508.50	7.00	\$3,559.50
Associate & Law Clerk Total					378.40	\$360,074.70
Lawyers Total					1,095.6	\$1,540,502.55
Barbara J Howell	Paralegal	-	-	\$432.00	5.00	\$2,160.00
Connie Kim	Paralegal	-	-	\$432.00	11.30	\$4,881.60
Non Legal Personnel Total					16.30	\$7,041.60
50% Non-Working Travel						-\$14,918.85
GRAND TOTAL					1,111.90	\$1,536,294.15

* Zero rate appears wherever no fee was charged for work.

Blended Hourly Rate: \$1,167.65

STATEMENT OF FEES BY PROJECT CATEGORY²
THE PETITION DATE THROUGH AND INCLUDING DECEMBER 31, 2022

Project Name	Hours	Fee Amount
ASSET ANALYSIS AND RECOVERY	553.00	\$740,536.20
AVOIDANCE ACTION ANALYSIS	52.60	\$79,065.00
BANKRUPTCY LITIGATION	41.70	\$63,629.55
BOARD / CORPORATE GOVERNANCE	78.70	\$134,657.55
CASE ADMINISTRATION	160.00	\$220,511.25
EMPLOYMENT AND FEE APPLICATIONS	166.30	\$213,171.30
INVESTIGATION	42.70	\$69,804.45
50% NON-WORKING TRAVEL	16.90	\$14,918.85
TOTAL	1,111.90	\$1,536,294.15

SUMMARY OF ACTUAL AND NECESSARY EXPENSES

Disbursement Summary		
Expense Category	Service Provider,³ if Applicable	Amount
Lexis Courtlink	Lexis	\$21.22
Photocopying		\$22.50
Document Reproduction (\$.10/page)		\$97.80
Color Document Reproduction (\$.40/page)		\$398.40
Velobind		\$12.00
Document Services		\$177.73
Travel		\$605.10
Local Business Travel		\$16.95
Hotel		\$425.70
Parking		\$120.00
Out-of-Town Travel		\$112.50
Air Travel		\$2,260.00
TOTAL		\$4,323.07

² The subject matter of certain time entries may be appropriate for more than one project category. In such instances, time entries generally have been included in the most appropriate category. Time entries do not appear in more than one category.

³ Quinn Emanuel Urquhart & Sullivan, LLP may use one or more service providers. The service providers identified herein are the primary service providers for the categories described.

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**FIRST MONTHLY FEE STATEMENT OF QUINN EMANUEL
URQUHART & SULLIVAN, LLP AS SPECIAL COUNSEL
TO THE DEBTORS AND DEBTORS-IN-POSSESSION FOR
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD
FROM THE PETITION DATE THROUGH AND INCLUDING DECEMBER 31, 2022**

Quinn Emanuel Urquhart & Sullivan, LLP (“Quinn Emanuel”), special counsel to FTX Trading Ltd. and its affiliated debtors and debtors-in-possession in the above-captioned cases (collectively, the “Debtors”), hereby submits this first monthly fee statement (this “Monthly Fee Statement”) for compensation for professional services rendered and expenses incurred for the period from the Petition Date through and including December 31, 2022 (the “Fee Period”). In support of the Monthly Fee Statement, Quinn Emanuel respectfully states as follows:

Background

1. On November 11 and November 14, 2022,² the Debtors filed with the United States Bankruptcy Court for the District of Delaware (the “Court”) voluntary petitions for

¹ The last four digits of FTX Trading Ltd.’s and Alameda Research LLC’s tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

² November 11, 2022 is the petition date for all Debtors, except for Debtor West Realm Shires Inc.

relief under title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (as amended or modified, the “Bankruptcy Code”). The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Joint administration of the Debtors’ cases (the “Chapter 11 Cases”) was authorized by the Court by entry of an order on November 22, 2022 [D.I. 128]. On December 15, 2022, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed an Official Committee of Unsecured Creditors (the “Committee”) pursuant to section 1102 of the Bankruptcy Code [D.I. 231].

2. On January 20, 2023, the Court entered the *Order Authorizing the Retention and Employment of Quinn Emanuel Urquhart & Sullivan, LLP as Special Counsel for the Debtors and Debtors in Possession, Nunc Pro Tunc to November 13, 2022*, [D.I. 548] authorizing the retention and employment of Quinn Emanuel as the Debtors’ special counsel, *nunc pro tunc* to November 13, 2022.

3. On January 9, 2023, the Court entered the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [D.I. 435] (the “Interim Compensation Order”).

Relief Requested

4. By this Monthly Fee Statement and in accordance with the Interim Compensation Order, Quinn Emanuel makes this application for (i) allowance of compensation as an administrative expense of the Debtors’ estates in the amount of \$1,536,294.15 for reasonable and necessary professional services rendered, (ii) payment of compensation in the amount of 80% thereof (in the amount of \$1,229,035.32) and (iii) payment of \$4,323.07 for actual and necessary expenses incurred.

a. Compensation Requested

5. The services performed by Quinn Emanuel during the Fee Period included, among others, issues involving asset analysis and recovery, avoidance action analysis, bankruptcy litigation, board of directors and corporate governance, investigations, and general case administration. Attached hereto as Exhibit A is a detailed itemization, by project category, of all services performed by Quinn Emanuel with respect to the Chapter 11 Cases during the Fee Period. This detailed itemization complies with Local Rule 2016-2 in that each time entry (i) contains a separate time allotment, (ii) contains a description of the type of activity and the subject matter of the activity, (iii) is billed in increments of one-tenth (1/10) of an hour, (iv) is presented chronologically in categories, and (v) individually identifies all meetings or hearings.

6. The timekeepers who rendered services related to each category are identified in Exhibit A, along with the number of hours for each individual and the total compensation sought by each category. All services for which Quinn Emanuel requests compensation were performed for, or on behalf of, the Debtors.

b. Expense Reimbursement

7. Quinn Emanuel incurred out-of-pocket expenses during the Fee Period in the amount of \$4,323.07. Attached hereto as Exhibit B is a description of the expenses actually incurred by Quinn Emanuel in the performance of services rendered as Special Counsel to the Debtors. The expenses are broken down into categories of charges, which may include, among other things, the following charges: photocopying, printing, outgoing facsimiles, document retrieval, postage, third-party conference calls, messenger service, transcripts, computerized legal research, filing fees, working meals, secretarial overtime, and other expenses.

8. In accordance with section 330 of the Bankruptcy Code, Quinn Emanuel

seeks reimbursement only for the actual cost of such expenses to Quinn Emanuel. Quinn Emanuel submits that all such expenses incurred were customary, necessary and related to the Chapter 11 Cases and, by this Monthly Fee Statement, requests reimbursement of the same.

Valuation of Services

9. Professionals of Quinn Emanuel have expended a total of 1,111.90 hours in connection with this matter during the Fee Period.

10. The amount of time spent by each of the professionals providing services to the Debtors for the Fee Period is set forth in Exhibit A. The rates are Quinn Emanuel's normal hourly rates of compensation for work of this character, discounted by 10%. The reasonable value of the services rendered by Quinn Emanuel for the Fee Period as Special Counsel for the Debtors in the Chapter 11 Cases is \$1,536,294.15.

11. Quinn Emanuel believes that the time entries included in Exhibit A attached hereto and the expense breakdown set forth in Exhibit B attached hereto are in compliance with the requirements of Local Rule 2016-2.

12. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount requested is fair and reasonable given the complexities of these Chapter 11 Cases, the time expended, the nature and extent of the services rendered, the value of such services, and the costs of comparable services other than in a case under this title.

Certificate of Compliance and Waiver

13. The undersigned representative of Quinn Emanuel certifies that he has reviewed the requirements of Local Rule 2016-2 and that the Monthly Fee Statement substantially complies with such rule. To the extent that the Monthly Fee Statement does not comply in all respects with the requirements of Local Rule 2016-2, Quinn Emanuel believes that

such deviations are not material and respectfully requests that any such requirements be waived.

Notice and No Prior Request

14. Notice of this Monthly Fee Statement has been given to the following parties or, in lieu of, to their counsel, if known: (a) the U.S. Trustee; (b) the Official Committee of Unsecured Creditors; and (c) all parties required to be given notice in the Interim Compensation Order. Quinn Emanuel submits that no other or further notice is necessary.

15. No prior request for the relief sought in this Monthly Fee Statement has been made to this or any other Court.

WHEREFORE, Quinn Emanuel respectfully requests that the Bankruptcy Court (i) approve the Monthly Fee Statement and (ii) grant such further relief as is just and proper.

Dated: New York, New York
February 7, 2023

/s/ Sascha N. Rand _____
Sascha N. Rand
Partner, Quinn Emanuel Urquhart &
Sullivan, LLP